

210 Lake Drive East, Suite 200 Cherry Hill, NJ 08002-1163 TEL 856.761.3400 FAX 856.761.1020 www.ballardspahr.com Glenn A. Harris Tel: 856.761.3440 Fax: 856.761.1020 harrisg@ballardspahr.com

May 30, 2017

Rule 408 Settlement Communication Via E-mail

Juan Fajardo, Esq. Ass't Regional Counsel USEPA, Region 2 290 Broadway New York, NY 10007-1866

Re: Diamond Alkali Superfund Site, March 30, 2017 Notice Letter Regarding Next Steps and May 17, 2017 Letter

Dear Mr. Fajardo:

This firm represents Arkema Inc. ("Arkema", formerly the Pennwalt Corporation) with respect to the above-referenced matter. Arkema is a member of the Cooperating Parties Group ("CPG") and a signatory to both the 2007 Administrative Settlement Agreement and Order on Consent for Remedial Investigation/Feasibility Study and the 2012 Administrative Settlement Agreement and Order on Consent for Removal Action.

As background, Arkema's predecessor in interest, Wallace & Tiernan, Inc. ("W&T"), owned and operated a manufacturing plant located at 25 and 67 Main Street, Belleville, New Jersey (the "Plant") beginning in approximately 1921. W&T was merged into Arkema in 1969, following which the Plant was operated as the Wallace & Tiernan Division of Arkema. Arkema sold the Plant in 1989. The Plant is Arkema's only alleged nexus to the Lower Passaic River.

The sole business of the Plant was the manufacturing of water treatment equipment, including chlorinators, pressure instruments, flow meters, chemical feed systems, and cathodic protection systems. No chemicals were ever manufactured at the Plant. The 1989 sale of the Plant triggered the New Jersey Industrial Site Recovery Act ("ISRA"), which resulted in the investigation and remediation of the Plant by Arkema pursuant to ISRA/ECRA Case #89150. The New Jersey Department of Environmental Protection ("NJDEP") issued a site-wide No Further Action Letter ("NFA") to Arkema in December 2002. The terms of the NFA included the filing of a Deed Notice with respect to engineered covers over four limited soil areas that are impacted by total petroleum hydrocarbons and solvents. Additionally, a Classification Exception Area ("CEA") and a Well Restriction Area ("WRA") were established for the Plant groundwater, since groundwater investigations determined that a CEA and WRA were warranted for a very limited area of solvents impacts within the Plant property boundary.

DMEAST #29372403 v5

A PA Limited Liability Partnership | John B. Kearney, Managing Partner

Juan Fajardo, Esq. May 30, 2017 Page 2

Indeed, the NJDEP stated in a March 2001 memorandum: "[T]he closest potentially sensitive areas are the Passaic River and the Second River ..." and, since "[N]o completed migration pathways were identified between the potential ecological concerns and the environmentally sensitive areas ... an ecological remedial investigation is not necessary for the site. No additional actions are necessary regarding ecological concerns."

The CEA expires in 2017. Accordingly, Arkema installed five additional groundwater monitoring wells late last year to evaluate the existing limited CEA boundaries. Results from those wells confirm that the minor contamination present in groundwater remains fully delineated and does not extend off-site. In addition, the sole compound exceeding New Jersey Groundwater Quality Standards, Trichloroethene, has reduced in concentration more than an order of magnitude from when the CEA was established.

Arkema additionally has reviewed both the documents provided by EPA in conjunction with EPA's issuance to Arkema of the December 5, 2005 General Notice Letter purporting to link the Plant to the Lower Passaic River as well as the PRP Data Extraction Form and other documents provided by the CPG. None of those documents suggest or provide any evidence of a direct discharge from the Plant to the Lower Passaic River of any hazardous substance.

Based on the history of the Plant, on the extensive ISRA investigation and remediation, and on Arkema's review of the nexus documents provided by both EPA and by the CPG, Arkema believes that the Plant is not associated with the release of dioxins, furans, or PCBs into the Lower Passaic River. Accordingly, Arkema requests that it be included in the planned allocation process referred to in EPA's March 30, 2017 and May 17, 2017 letters. If EPA has any questions in the interim, please contact me.

Very truly yours,

Glenn A. Harris

GAH/mds

cc: Sarah P. Flanagan, Esq. (US mail)